

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**
FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

2001-11-21

2. STATE:

MS

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

~~October 1, 2001~~ April 12, 2002

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 447.272

7. FEDERAL BUDGET IMPACT:

a. FFY 2002 * ~~\$64,200,000~~ 5.7 million

b. FFY 2003 * ~~\$64,200,000~~ 11.1 million

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4 19-0 Page 153

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):

Attachment 4 19-0 Page 153

10. SUBJECT OF AMENDMENT: This State Plan Amendment allows the Division of Medicaid to reimburse nursing facilities in Mississippi, an amount up to the upper payment limit.

11. GOVERNOR'S REVIEW (Check One):

☒ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ OTHER, AS SPECIFIED:

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:

Rose Lewis-Payton

13. TYPED NAME:

Rose Lewis-Payton

14. TITLE:

Executive Director

15. DATE SUBMITTED:

November 21, 2001

16. RETURN TO:

Rose Lewis-Payton, Executive Director
Miss. Division of Medicaid
Attn: Rose Compere
239 North Lamar Street, Suite 801
Jackson, MS 39201-1399

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

November 21, 2001

18. DATE APPROVED:

June 10, 2002

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

April 12, 2002

20. SIGNATURE OF REGIONAL OFFICIAL:

Eugene A. Grasser

21. TYPED NAME:

Eugene A. Grasser

22. TITLE: Associate Regional Administrator

Division of Medicaid and State Operations

23. REMARKS:

* The State Agency authorized the following "pen and ink" changes: Proposed Effective Date changed to April 12, 2002; Federal Budget Impact changed to 5.7 mil and 11.1 mil, respectively; change "will" to "may" at paragraph 3-7.

X 80%) to equal a minimum of eighty percent (80%) occupancy. Reserved bed days will be counted as an occupied bed for this computation. Facilities having an occupancy rate of less than eighty percent (80%) should complete Form 14 when submitting their cost report.

3-6 State Owned NF's

NF's that are owned by the State of Mississippi will be included in the rate setting process described above in order to calculate a prospective rate for each facility. However, state owned facilities will be paid based on 100% of allowable costs, subject to the Medicare upper limit. A state owned NF may request that the per diem rate be adjusted during the year based on changes in their costs. After the state owned NF's file their cost report, the per diem rate for each cost report period will be adjusted to the actual allowable cost for that period, subject to the Medicare upper limit.

3-7 Adjustments to the Rate for Changes in Law or Regulation

Adjustments ~~will~~^{may} be made to the rate as necessary to comply with changes in state or federal law or regulation.

3-8 Upper Payment Limit

NF's may be reimbursed in accordance with the applicable regulations regarding the Medicaid upper payment limit. For each facility, the amount that Medicare would have paid for the previous year will be calculated and compared to what payments were actually made by Medicaid during that same time period. The calculation will be made as follows: MDS data is run for each facility to group total patient days into one of the forty-four RUGs. The total population is used, case mix adjusted, and the therapy portion is removed. An estimated amount that Medicare would have paid on average by facility is calculated by multiplying each adjusted RUG rate by the number of days for that RUG. The sum is then divided by the total days for the estimated average per diem by facility that Medicare would have paid. From this amount, the Medicaid average per diem for the time period is subtracted to determine the UPL balance as a per diem. The per diem is then multiplied by the Medicaid days for the period to calculate the available UPL balance amount for each facility. This calculation may then be used to make payment for the current year to nursing facilities eligible for such payments in accordance with applicable regulations regarding the Medicaid upper payment limit. Up to 100 percent of the difference between Medicaid payments and what Medicare would have paid may be paid to State government-owned or operated facilities, non-state government-owned or operated facilities, and privately owned and operated facilities, in accordance with applicable state and federal laws and regulations, including any provisions specified in appropriations by the Mississippi Legislature.

TN NO 2001-27
 SUPERSEDES
 TN NO 2000-11

DATE RECEIVED
 DATE APPROVED
 DATE EFFECTIVE

NOV 21 2001
 JUN 10 2002
 APR 12 2002